

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicants: Daniel Guy Stephens, Jr., Edwin Powali, and Stephen Lombard

Serial No.: 09/702,483

Filing Date: October 31, 2000

For: SYSTEM AND METHOD FOR SECURE MANAGEMENT OF REMOTE SYSTEMS

Confirmation No. 9819
Customer No. 04219
Group Art Unit 2135
Klimach, P.W., Examiner

Mail Stop Amendment
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

DECLARATION OF PETER C. CASTLE PURSUANT TO 37 C.F.R. §1.132

I, Peter C. Castle, declare as follows:

1. That I am the Chief Financial Officer of NetWolves Corporation ("NetWolves"), and that NetWolves is the assignee of the full, exclusive and entire right, title and interest in and to the above-referenced U.S. Patent Application entitled SYSTEM AND METHOD FOR SECURE MANAGEMENT OF REMOTE SYSTEMS, filed on October 31, 2000, and having Serial Number 09/702,483 ("Application"), and that an executed assignment from each above-named Applicant was recorded with the Commissioner of Patents on March 19, 2001. (see Exhibit A).

2. That I have been an employee of NetWolves since 1998, serving as Controller from 1998 to 1999, Vice President of Finance in 2000, and Chief Financial Officer since 2001, and that I have served as Secretary and Treasurer on NetWolves' Board of Directors since 1999.

3. That prior to joining NetWolves I was the Southeast Regional Finance Manager for Magellan Health Service, Inc., a 1.6 billion managed behavioral care company based in Georgia, from 1996 through July 1998, and that I served as the Controller for Physician's Care Network of New York, Inc. prior to my employment with Magellen.

4. That I have direct knowledge of NetWolves' finances, including the revenues generated by NetWolves' products and services, and the marketing efforts and expenditures associated with each, and that I am authorized to execute this Declaration in support of NetWolves' interest in the Application.

5. That the information presented herein includes no new matter and is presented solely in response to the Office Action of the U.S. Patent and Trademark Office dated January 30, 2006 with respect to the Application, wherein all of the claims which remain pending in the Application have been rejected as being obvious in view of various references cited by the Examiner.

6. That NetWolves' revenues are primarily and substantially derived from direct client contact by its sales staff, and that

NetWolves' marketing expenditures and efforts since at least 2001 have been essentially constant and de minimus relative to its Gross Revenue.

7. That in Fiscal Year 2003, NetWolves' Gross Revenue was approximately \$21.1MM, including approximately \$1.9MM directly attributable to the specific technology comprised by the Application for securely configuring one or more gateway server.

8. That in Fiscal Year 2004, NetWolves' Gross Revenue was approximately \$24.9MM, including approximately \$2.7MM directly attributable to the specific technology comprised by the Application for securely configuring one or more gateway server.

9. That in Fiscal Year 2005, NetWolves' Gross Revenue was approximately \$27.1MM, including approximately \$3.1MM directly attributable to the specific technology comprised by the Application for securely configuring one or more gateway server.

10. That the increase in revenue directly attributable to the specific technology comprised by the Application for securely configuring one or more gateway server between Fiscal Years 2003 and 2005 was approximately \$1.2MM or 15%.

11. That the significant increase in NetWolves' revenue between Fiscal Years 2003 and 2005 directly attributable to the specific technology comprised by the Application for securely configuring one or more gateway server is not a result of any commensurate increase in NetWolves' marketing expenditures and efforts.

12. That approximately \$1MM in revenue in each of Fiscal Years 2003 and 2004 for the specific technology comprised by the Application was derived from General Electric Consumer Finance, and that Mr. Larry Biagini, former Chief Technology Officer for General Electric, has publicly stated that "[a]fter extensive due diligence in looking for the all-in-one small office solution for network management, interconnectivity and security management, we were impressed with NetWolves products, and look forward to broad deployment throughout our environment." (see Exhibit B).

13. That I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true, and further, that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Date: July 28, 2006


Peter C. Castle
PETER C. CASTLE
CHIEF FINANCIAL OFFICER
NETWOLVES CORPORATION



UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
ASSISTANT SECRETARY AND COMMISSIONER
OF PATENTS AND TRADEMARKS
Washington, D.C. 20231

JUNE 18, 2001

PTAS

THOMAS, KAYDEN, HORSTEMEYER & RISLEY, L.L.P.
JEFFREY R. KUESTER
100 GALLERIA PARKWAY, SUITE 1750
ATLANTA, GA 30339-5948



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NOTICE OF RECORDATION OF ASSIGNMENT DOCUMENT

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PLEASE REVIEW ALL INFORMATION CONTAINED ON THIS NOTICE. THE INFORMATION CONTAINED ON THIS RECORDATION NOTICE REFLECTS THE DATA PRESENT IN THE PATENT AND TRADEMARK ASSIGNMENT SYSTEM. IF YOU SHOULD FIND ANY ERRORS OR HAVE QUESTIONS CONCERNING THIS NOTICE, YOU MAY CONTACT THE EMPLOYEE WHOSE NAME APPEARS ON THIS NOTICE AT 703-308-9723. PLEASE SEND REQUEST FOR CORRECTION TO: U.S. PATENT AND TRADEMARK OFFICE, ASSIGNMENT DIVISION, BOX ASSIGNMENTS, CG-4, 1213 JEFFERSON DAVIS HWY, SUITE 320, WASHINGTON, D.C. 20231.

RECORDATION DATE: 03/19/2001

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BRIEF: ASSIGNMENT OF ASSIGNOR'S INTEREST (SEE DOCUMENT FOR DETAILS).

ASSIGNOR:

STEPHENS, JR, DANIEL GUY

DOC DATE: 12/14/2000

ASSIGNOR:

POWALI, EDWIN

DOC DATE: 12/08/2000

ASSIGNOR:

LOMBARD, STEPHENS

DOC DATE: 12/21/2000

ASSIGNEE:

NETWOLVES CORPORATION
2502 ROCKY POINT DRIVE, SUITE 740
TAMPA, FLORIDA 33607

SERIAL NUMBER: 09702483

FILING DATE: 10/31/2000
PATENT NUMBER:

ISSUE DATE:

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Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks
101664184

nal documents or copy thereof.

1. Name of conveying party(ies):

(1) Daniel Guy Stephens, Jr.; (2) Edwin Powali; (3) Stephens Lombard

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)

Name: NetWolves Corporation
Street Address: 2502 rocky Point Drive, Suite 740
Tampa, FL 33607Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
 Security Agreement Change of Name
 Other:

Execution Date: (1) 12/14/00; (2) 12/8/00; (3) 12/21/00.

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is:

A. Patent application No.(s)

B. Patent No.(s)

09/702,483

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Jeffrey R. Kuester
 Thomas, Kayden, Horstemeyer & Risley, L.L.P.
 100 Galleria Parkway, Suite 1750
 Atlanta, Georgia 30339-5948

6. Total number of applications/patents involved: [1]

7. Total fee (37 CFR 3.41) \$ 40.00

- Enclosed
 Authorized to be charged to Credit Card (Transmittal Attached)

8. Deposit Account Number:

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9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Jeffrey R. Kuester

Typed Name

Docket #: 191406-1010

Signature

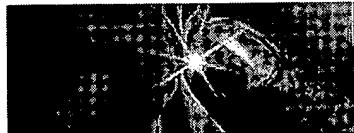
Date

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Mail documents to be recorded with required cover sheet information to:

Assistant Commissioner for Patents, Box Assignments
 Washington, D.C. 20231

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NetWolves Signs Global Contract with General Electric

June 29, 2000, Melville, NY— NetWolves Corporation (NASDAQ:WOLV) and General Electric Company (NYSE:GE) jointly announced today that GE has signed a contract for the master purchase, license and support services of NetWolves' security, monitoring, configuration and management technologies. NetWolves is the innovator of a firewall and an all-in-one Internet gateway system, the FoxBox[®], and of recently announced patent pending "Mother System" technology that makes possible secure, centralized, remote management and monitoring of networks.

GE will be using the FoxBox[®] for interconnectivity of its worldwide offices. The FoxBox[®] will enable these offices to interact with each other utilizing NetWolves advanced firewall security.

Mr. Larry Biagini, Chief Technology Officer at General Electric, commented, "After extensive due diligence in looking for the all-in-one small office solution for network management, interconnectivity and security management, we were impressed with NetWolves products, and look forward to broad deployment throughout our environment."

Mr. Walter M. Groteke, CEO of NetWolves, said, "We look forward to our relationship with the premier global organization. This agreement further validates our technology and innovations within the firewall and network security niches. We know that network security is one of the most formidable challenges facing Fortune 500 companies and with our new 'Mother System' we can offer solutions for any size organization."

About NetWolves Corporation

The FoxBox[®] is a multi-functional product that connects business networks, Local Area Networks and Wide Area Networks, to the Internet. The FoxBox[®] supports secure access to the Internet for 3 to 400 users through a single connection, provides advanced electronic

mail functions for unlimited users and delivers firewall security. The patent pending "Mother System" offers many technical innovations, including the worldwide, 24/7, real-time monitoring and management of a complete network from one or many locations. The Company's ComputerCop subsidiary develops Internet and PC monitoring software systems, namely ComputerCop[®]. NetWolves' TSG Global Education Web, Inc. subsidiary produces Internet-based distance learning and profit enhancing programs for the petroleum industry.

About General Electric

GE is a diversified services, technology and manufacturing company with a commitment to achieving customer success and worldwide leadership in each of its businesses.

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PC Expo Attendees: Visit NetWolves at booth #3422.

For more information on NetWolves Corporation and its subsidiaries, visit
www.netwolves.com,
www.computercopinfo.com,
www.tsgglobaled.com.

For more information on General Electric, visit
www.ge.com.

Forward Looking Statements: All statements other than statements of historical facts included in this release are forward-looking statements. When used in this release, words such as "anticipate," "believe," "estimate," "expect," "intend," and similar expressions, as they relate to the Company or its management, as well as assumptions made by and information currently available to the Company's management, identify forward-looking statements. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors including, but not limited to, the effect of business and economic

conditions; the impact of competitive products and pricing; and capacity and supply constraints or difficulties. Such statements reflect the current views of the Company with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the operations, results of operations, growth strategy and liquidity of the Company.

For more information:
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